MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2022/2023 (TERM ID 2210)

BIM2094 – INTERNATIONAL MANAGEMENT

(All sections/Groups)

15 FEBRUARY 2023
2.30 p.m – 4.30 p.m
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of 3 pages with 2 sections.
2. Attempt **ALL** questions. The distribution of the marks for each question is given.
3. Please write all your answers in the Answer Booklet provided.

SECTION A: CASE STUDY
ANSWER ALL THE QUESTIONS.

QUESTION 1

Along with the implementation of China's going-abroad policy in 2000, more and more Chinese enterprises have come to invest in Thailand, which is one of the most ideal overseas investment destinations, and by the end of 2012, China has become the second largest foreign investor in Thailand, only next to Japan. According to an incomplete statistic, there were more than eighty Chinese companies, including some world famous companies, invested in Thailand. However, among these companies, only few of them made successful, and Holley Electric Group (Thailand) Co., Ltd. is the best one.

Holley Company Electric (Thailand) Group Co., Ltd. set up in Amata Industrial Park, Chonburi, Thailand in 2000. The company is composed of 352 employees, only 2 come from China. Its main products are power metering instruments and power automation system, which occupies 80% of Thai market share and with 1 million sets of power meters sold in global markets. In many foreign consumers' minds, products made in China are cheaper with low quality, especially electrical and electronic wares. Consumers in ASEAN region, including in Thailand, are normally prefer to use commodities from Japanese rather than those from China. However, Holley Company as the most successful going-abroad company changed people's thinking with its successful story.

Holley's success are due to many factors, the most important one is a successful and effective Cross-cultural Management, which is worthy of being learned by other Chinese companies. Integrated Chinese organization culture into local Thai community, Holley has become itself as a member of the local community.

At its original operation, the management team at each level and technicians of this Chinese company are mainly composed of people who come from China, and manners of its management were Chinese style of which focused only on increasing productivity and improving service quality. However, this operating strategy brought a lower competition and higher turnover rate of employees.

Facing enormous cultural conflict and cross-cultural communication barriers, Holley's Management staffs tried to find the differences between Thai culture and Chinese culture in deep level by consulting with both Thai and Chinese experts. They found a lot of cultural differences between Thai culture and Chinese culture, for example:

1) Chinese people work very fast and efficiently, but not all the products are fine. However, Thai people work very carefully and finely. But the Chinese managers may feel Thai workers work very slowly, far below Chinese managers' expectations, and this feeling makes both sides unhappy.
2) May be due to the harsh natural conditions, Chinese people are used to working hard. However, Thai people are born with superior natural conditions, so Thai people like easy-going life, they do not like the pressure, if they feel pressured, they will resign and look for a new job, and they can find the new job easily.

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3) Due to the great competition, Chinese people nowadays pay attention to the economic benefits, they used to work hard to earn money quickly. However, Thai people pay more attention on the interrelationship with friends and relatives, so they often participate in various activities, such as, birthday parties, weddings, funerals, and a variety of religious ceremonies.
4) Chinese people tend to think and plan in a longer-term way, they enjoy planning the wages and position in the future. However, Thai people especially the workers, tend to consider the current interests only.
5) Both Chinese and Thai people focus on the superior-subordinate relationship, the lower-level leaders are likely to follow their superiors' idea, but Thai people pay more attention on their "face", they can't accept the direct criticism, especially in front of lots of people.

After a bitter experience, the top leader changed his mind. He decided to hire some Thai employees into the management team and technical department of company. Currently, besides the chief accountant and the Chairman in Holley, all of other employees are Thai people. During the business operation, the Chairman of Holley Co. has been trying to learn to communicate with Thai employees, to understand the Thai culture and tradition, such as manners of thinking, living and working, and finally to create, cultivate and socialize the Holley culture. The success of Holley Co. has verified its correctness of this Cross-cultural Management.

Source: Li, R.L. (2017). Cross-cultural Management: Case Study of Holley Electric Group (Thailand) Co., Ltd., *NIDA Case Research Journal, 9* (2), 1-17.

(a) Apparently, Holley Co. has switched its hiring approach from ethnocentric to polycentric. Provide **FOUR (4)** reasons why Holley Co. would like to adopt polycentric approach in hiring. (10 marks)

(b) Thailand scored the following values on Hofstede's cultural dimensions: Uncertainty avoidance (64), Individualism (20) and Masculinity (34). Based on the scores given, suggest recommendations on how to motivate the personnel in Thailand. (15 marks)

(c) Discuss **FOUR (4)** types of verbal communication styles that Chinese manager can use to communicate effectively with the Thai. (16 marks)

(d) Discuss which type of organizational culture would most people in Thailand feel comfortable with. (9 marks)

[Total: 50 marks]

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SECTION B: STRUCTURED QUESTIONS
ANSWER ALL THE QUESTIONS.

QUESTION 1

(a) Discuss the fundamental tension between global integration and national responsiveness. (10 marks)

(b) Explain International Joint Venture (IJV) with relevant example of companies forming IJV. Discuss **FOUR (4)** advantages of forming an International Joint Venture. (15 marks)

[Total: 25 marks]

QUESTION 2

(a) Discuss the three common types of leadership styles: Authoritarian, Paternalistic and Participative. Illustrate the leader-subordinate interactions of each with relevant diagram. (15 marks)

(b) Why are Japanese goods of higher quality than goods of many other countries? Discuss **FOUR (4)** ways on how Japanese manage to maintain high quality standard. (10 marks)

[Total: 25 marks]

End of Paper